

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 4/23/2013	(3) CONTACT/PHONE John Diodati, Department Administrator (805) 788-2832	
(4) SUBJECT Request approval of agreements for delivery of recycled water for agricultural purposes related to the Los Osos Wastewater Project with Les and Mary Lou Goodwin and Earl May. District 2.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board approve the recycled water agreements with Les and Mary Lou Goodwin; and Earl May.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT \$1,500.00	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 2 -			

Reference: 13APR23-C-3

## County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works  
John Diodati, Department Administrator

VIA: Paavo Ogren, Director of Public Works

DATE: 4/23/2013

SUBJECT: Request approval of agreements for delivery of recycled water for agricultural purposes related to the Los Osos Wastewater Project with Les and Mary Lou Goodwin; and Earl May. District 2.

### **RECOMMENDATION**

It is our recommendation that your Honorable Board approve the recycled water agreements with Les and Mary Lou Goodwin and Earl May.

### **DISCUSSION**

The Coastal Development Permit (CDP) issued for the Los Osos Wastewater Project (LOWWP) requires full tertiary treatment of the effluent and beneficial reuse of this recycled water. At least 10% of this water must be used on agricultural land. The eligible agricultural land, as approved by the Coastal Commission, is highlighted in Attachment "A."

The United States Department of Agriculture, Rural Development (USDA) has requested that reuse agreements be approved before construction of the LOWWP is completed. The Department of Public Works partnered with the Coastal San Luis Resource Conservation District in order to outreach to eligible agriculturists who may be interested in the recycled water. This outreach effort culminated in the approval of six recycled water program participation agreements with agriculturalists in the CDP eligible area. The program participation agreements provided for these properties to have recycled water infrastructure installed to their property line for the future use of recycled water.

Last year, the first of these program participants has executed a 10 year agreement for the use of recycled water. The agreement provides for the use of 50 acre feet of water per year at a rate of \$100 per acre foot, and incentivizes the user to use more water by pricing any additional water beyond 50 acre feet at \$75/acre foot. Staff is still in negotiations with the three remaining program participants.

Two more program participants have executed agreements, which are attached for your Board's final approval. The standard terms of these agreements are identical to the previously approved agreement, with the main exception being the amount of recycled water delivered to each property.

One property will take 5 acre feet per year and the other will take 10 acre feet per year. The pricing remains the same, at \$100/acre foot, with a reduction to \$75/acre foot for any water delivered over the agreement amount.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has assisted with agreement development and has approved as to legal form and effect. Members of the Interlocutory Stipulated Judgment Work Group (ISJ) - (water purveyors) were notified of the agreements, but are not affected because the property is outside of their service area. The Coastal San Luis Resource Conservation District assisted in farmer outreach.

### **FINANCIAL CONSIDERATIONS**

The agreements will provide at least \$1,500 per year in revenue.

### **RESULTS**

Approval of the agricultural reuse agreements will improve the environmental qualities of San Luis Obispo County.

File: 300448.03 Ag Reuse

Reference: 13APR23-C-3

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### **ATTACHMENTS**

1. Attachment A - Eligible Areas for Agricultural Reuse Map
2. Agreement for Delivery of Recycled Water (Goodwin)
3. Agreement for Delivery of Recycled Water (May)